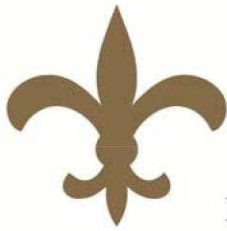


CALDWELL PARISH SHERIFF
Columbia, Louisiana

Financial Report
For the Year Ended June 30, 2014

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Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Caldwell Parish Sheriff
Columbia, Louisiana

Report on Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Caldwell Parish Sheriff as of June 30, 2014, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Caldwell Parish Sheriff as of June 30, 2014, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information. Accounting principles generally accepted in the United States of America require that budget information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The Caldwell Parish Sheriff has not presented Management's Discussion and Analysis that the Governmental Accounting Standards Board also determined is necessary to supplement, although not required to be part of, the basic financial statements.

Other Information. My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The accompanying combining and individual nonmajor fund schedules and the schedules related to the Tax Collector Fund are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Caldwell Parish Sheriff.

The supplemental schedules are the responsibility of management and were derived and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in blue ink that reads "J. Aaron Coogan, CPA, LLC". The signature is written in a cursive, flowing style.

DeRidder, Louisiana
March 20, 2015

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Statement of Net Position

June 30, 2014

	Governmental Activities	Business-Type Activities
ASSETS		
Cash and interest-bearing deposits	\$ 489,326	\$ 99,225
Receivables	104,655	267,306
Restricted deposits	-	101,831
Due from Caldwell Correctional Center	7,363	-
Prepaid expenses	4,387	-
Capital assets, net of accumulated depreciation	206,076	1,822,937
Total assets	<u>811,807</u>	<u>2,291,299</u>
LIABILITIES		
Accounts payable	18,762	57,050
Salaries and benefits payable	106,928	77,757
Due to General Fund	-	7,363
Due to Tax Collector Fund	68,996	-
Long-term liabilities:		
Due within one year	40,387	54,721
Due after one year	1,038,501	1,825,365
Total liabilities	<u>1,273,574</u>	<u>2,022,256</u>
NET POSITION		
Invested in capital assets, net of related debt	165,689	1,233,292
Restricted for debt covenants	-	101,831
Unrestricted	(627,456)	(1,066,080)
Total net position	<u>\$ (461,767)</u>	<u>\$ 269,043</u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Statement of Activities

For the Year Ended June 30, 2014

Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Fees, Fines, and Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
Public safety	\$ 2,692,170	\$ 397,884	\$ 141,385	\$ (2,152,901)	\$ -	\$ (2,152,901)
Interest on long-term debt	18,912	-	-	(18,912)	-	(18,912)
Total governmental activities	2,711,081	397,884	141,385	(2,171,812)	-	(2,171,812)
Business-type activities	3,014,761	2,930,139		-	(84,622)	(84,622)
Total activities	\$ 5,725,842	\$ 3,328,023	\$ 141,385	(2,171,812)	(84,622)	(2,256,434)
General revenues:						
Taxes:						
Property taxes				1,744,452	-	1,744,452
State revenue sharing				46,110	-	46,110
Grants and contributions not restricted to specific programs:						
State sources				45,589	-	45,589
Interest and investment earnings				659	-	659
Miscellaneous				4,330	2,364	6,694
Transfers				190,000	(190,000)	-
Special item - gain on disposal of capital assets				31,713	-	31,713
Total general revenues				2,062,853	(187,636)	1,875,217
Change in net assets				(108,959)	(272,258)	(381,217)
Beginning net assets				(352,808)	541,301	188,493
Ending net assets				\$ (461,767)	\$ 269,043	\$ (192,724)

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Balance Sheet - Governmental Fund

June 30, 2014

	General Fund	Total Governmental Funds
ASSETS		
Cash and interest-bearing deposits	\$ 489,326	\$ 489,326
Due from Caldwell Correctional Center	7,363	7,363
Prepaid expenses	4,387	4,387
Receivables	<u>104,655</u>	<u>104,655</u>
Total assets	<u>\$ 605,731</u>	<u>\$ 605,731</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 18,762	\$ 18,762
Salaries and benefits payable	106,928	106,928
Due to Tax Collector Fund	<u>68,996</u>	<u>68,996</u>
Total liabilities	194,686	194,686
Fund balance:		
Unassigned	<u>411,045</u>	<u>411,045</u>
Total fund balance	<u>411,045</u>	<u>411,045</u>
Total liabilities and fund balance	<u>\$ 605,731</u>	<u>\$ 605,731</u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Reconciliation of the Government Fund Balance Sheet
to the Statement of Net Position

June 30, 2014

Total fund balances for governmental funds at year end	\$	411,045
Total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Buildings and improvements, net	\$	2,173
Furniture and fixtures, net		20,684
Vehicles and other equipment, net		<u>183,219</u>
		206,076
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Those liabilities consist of:		
Long-term liabilities at year end:		
Capital lease obligations		(40,387)
Other post-employment benefits obligation		<u>(1,038,501)</u>
		<u>(1,078,888)</u>
Total net position of governmental activities at year end	\$	<u><u>(461,767)</u></u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund - General Fund

For the Year Ended June 30, 2014

	General Fund
Revenues:	
Ad valorem taxes	\$ 1,744,452
Intergovernmental revenues:	
State grants:	
State supplemental pay	141,385
State revenue sharing (net)	46,110
Miscellaneous	45,589
Fees, fines, and charges for services:	
Civil and criminal fees	32,000
Fines	33,139
Charges for services and programs	183,968
Mowing contract	148,777
Miscellaneous	4,989
Total revenues	<u>2,380,409</u>
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	1,771,420
Operating services	390,785
Materials and supplies	236,876
Travel and other charges	17,049
Debt service -	
Principal	252,210
Interest	18,912
Capital outlay	81,530
Total expenditures	<u>2,768,782</u>
Excess (deficiency) of revenues over expenditures	(388,373)
Other financing sources (uses):	
Transfers in	190,000
Proceeds from bank loan	200,000
Proceeds from sale of assets	32,455
Total other financing sources (uses)	<u>422,455</u>
Change in fund balance	34,082
Fund balance, beginning	<u>376,963</u>
Fund balance, ending	<u><u>\$ 411,045</u></u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities

For the Year Ended June 30, 2014

Total net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances	\$	34,082
The change in net assets reported for governmental activities in the Statement of Activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances	\$	81,530
Depreciation expense		<u>(84,800)</u> (3,270)
Book value of disposed capital assets		(742)
Debt principal retirement considered as an expenditure on the Statement of Revenues, Expenditures and Changes in Fund Balances		252,210
Proceeds of borrowings are recorded as revenues on the Statement of Revenues, Expenditures and Changes in Fund Balances but is included in liabilities on the government-wide financial statements.		(200,000)
Governmental funds do not report the net change in other post-employment benefits (OPEB) obligations. However, this expense is reflected in the Statement of Activities since the payable is reflected on the Statement of Net Assets.		<u>(191,240)</u>
Total changes in net assets per Statement of Activities	\$	<u>(108,959)</u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Statement of Net Position
Proprietary Funds

June 30, 2014

	Business- Type Activity- Enterprise Fund
ASSETS	
Cash and interest-bearing deposits	\$ 99,225
Receivables	267,306
Restricted deposits	101,831
Capital assets, net of accumulated depreciation	<u>1,822,937</u>
Total assets	<u>2,291,299</u>
LIABILITIES	
Accounts payable	57,050
Salaries and benefits payable	77,757
Due to General Fund	7,363
Long-term liabilities:	
Due within one year	54,721
Due after one year	<u>1,825,365</u>
Total liabilities	<u>2,022,256</u>
NET POSITION	
Invested in capital assets, net of related debt	1,233,292
Restricted for debt covenants	101,831
Unrestricted	<u>(1,066,080)</u>
Total net position	<u>\$ 269,043</u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund

For the Year Ended June 30, 2014

	Business- Type Activity- Enterprise Fund
Revenues:	
Charges for services:	
Feeding and keeping prisoners	\$ 2,870,139
Commission from commissary	60,000
Miscellaneous	2,364
Total revenues	<u>2,932,503</u>
Expenses:	
Public safety:	
Personal services and related benefits	1,889,644
Operating services	463,786
Materials and supplies	532,635
Travel and other charges	33
Depreciation	93,135
Total expenses	<u>2,979,233</u>
Operating loss	(46,730)
Non-operating revenues (expenses):	
Interest expense	(35,528)
Total non-operating revenues (expenses):	<u>(35,528)</u>
Loss before contributions and operating transfers	(82,258)
Operating transfers in (out)	<u>(190,000)</u>
Change in net position	(272,258)
Beginning net position	<u>541,301</u>
Ending net position	<u><u>\$ 269,043</u></u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Statement of Cash Flows
Proprietary Fund

For the Year Ended June 30, 2014

	Business- Type Activity- Enterprise Fund
Cash flows from operating activities:	
Cash received from customers	\$ 2,903,830
Cash paid to or on behalf of employees	(1,656,720)
Cash paid to suppliers	(1,001,288)
	<u>245,822</u>
Net cash provided by operating activities	245,822
Cash received from noncapital financing activities:	
Transfers out	(190,000)
	<u>(190,000)</u>
Net cash used in noncapital financing activities	(190,000)
Cash flows from capital and related financing activities:	
Cash paid for acquisition of capital assets	(17,873)
Cash paid for bond principal	(51,671)
Change in restricted deposits	14,602
Change in due to General Fund	7,363
Cash paid interest	(35,528)
	<u>(83,107)</u>
Net cash used in capital and related financing activities	(83,107)
Net change in cash and cash equivalents	(27,285)
Cash and cash equivalents, beginning of year	126,510
Cash and cash equivalents, end of year	<u><u>\$ 99,225</u></u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (46,730)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	93,135
Changes in operating assets and liabilities:	
Accounts receivable	(28,673)
Accounts payable	(4,834)
Salaries and benefits payable	1,308
Change in liability for other post-employment benefits	231,616
	<u>231,616</u>
Net cash provided by operating activities	<u><u>\$ 245,822</u></u>

The accompanying notes are an integral part of the basic financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Statement of Fiduciary Assets and Liabilities

June 30, 2014

	Agency Funds
ASSETS	
Cash and interest-bearing deposits	\$ 133,552
Due from other governments	<u>114,581</u>
	<u>\$ 248,133</u>
LIABILITIES	
Due to taxing bodies and others	<u>\$ 248,133</u>

The accompanying notes are an integral part of the basic financial statement.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sporting licenses, and fines, costs, and bond forfeitures imposed by the district court.

The accounting and reporting policies of the Caldwell Parish Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures conform to the requirements of the industry audit guide, *Audits of State and Local Governments*.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operation of his office, which includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and receipt and disbursements of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish police jury as required by Louisiana law, the Sheriff is financially independent.

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Sheriff.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

B. BASIS OF PRESENTATION

The accompanying basic financial statements of the Caldwell Parish Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999. As a result, an entirely new financial presentation format has been implemented.

Government-Wide Financial Statements (GWFS) - The Statement of Net Position and the Statement of Activities display information about the Sheriff as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of the functions of the Sheriff's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS) - The Sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into three categories: governmental, proprietary, and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual fund is at least 10 percent of the corresponding total for all funds of the same fund type; or total assets, liabilities revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

B. BASIS OF PRESENTATION (Continued)

The Sheriff reports the following major governmental fund:

- The General Fund is the primary operating fund of the Sheriff. It accounts for all financial resources except those that are required to be accounted for in other funds.

The Sheriff reports the following major proprietary fund:

- The Caldwell Correction Center Fund accounts for the revenues and expenditures of the operation of the facility that houses primarily state prisoners for a per diem fee.

Additionally, the Sheriff reports certain activities in fiduciary funds. Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Sheriff are agency funds. The agency funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the accrual basis of accounting.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Governmental Fund Financial Statements. The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Sheriff operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and become due on December 15 of each year and delinquent by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the Sheriff is entitled to the funds. Interest income on deposits is recorded when interest is earned. Substantially all other revenues are recorded when received.

Expenditures

The Sheriff's primary expenditures include salaries and insurance, which are recorded when the liability is incurred. Capital expenditures and purchase of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

Deferred Revenues

Deferred revenues arise when resources are received by the Sheriff before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the Sheriff has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

Government-wide and Proprietary Fund Financial Statements. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these criteria are reported as non-operating revenues and expenses.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

The government-wide and proprietary fund financial statements are accounted for using an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

The government-wide and proprietary fund financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

D. BUDGET PRACTICES

1. The proposed budget for the general and special revenue fund are submitted to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

E. DEPOSITS AND INVESTMENTS

The Sheriff's cash and cash equivalents are considered cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The Sheriff's investment program is authorized and limited by state statute to purchases of securities issued or guaranteed by the U.S. government and its agencies or instrumentalities and participation in the Louisiana Asset Management Pool (LAMP). LAMP is a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local governmental investment pool equivalent to a money market fund. LAMP invests in short-term instruments as permitted by statute.

F. CAPITAL ASSETS

Capital assets are capitalized at historical costs. The Sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	15-40
Office, equipment, and furniture	5-7
Vehicles	5

G. COMPENSATED ABSENCES

Vacation and sick leave are recorded when paid. This method approximates the accrual method since neither vacation nor sick leave is allowed to accumulate year to year ("use it or lose it"). Earned vacation is paid upon termination; however, sick leave is not paid.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

H. EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net position and displayed in three components:

- Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Sheriff classifies governmental fund balances as follows:

- Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or grantors, or amounts constrained due to constitutional provisions or enabling legislation.
- Committed - includes fund balance amounts that are constrained for specific purposes that are internal imposed by the Sheriff through formal action of the Sheriff and does not lapse at year-end.
- Assigned - Includes fund balance amounts that are intended to be used for a specific purpose that are considered to be neither restricted nor committed. Fund balance can be assigned by the Sheriff.
- Unassigned - includes fund balance amounts within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

Proprietary fund equity is classified the same as in the government-wide statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

I. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reduction of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. The Sheriff periodically transfers funds between the general fund and the special revenue fund as necessary to fund operations.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2014, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$823,831 as follows:

		Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
	Maturities			
Demand deposits	N/A	\$ 588,449	\$ 133,552	\$ 722,000
Time deposits	Less than one year	101,831	-	101,831
Total		<u>\$ 690,279</u>	<u>\$ 133,552</u>	<u>\$ 823,831</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Interest Rate Risk. The Sheriff's policy does not address interest rate risk, however, the Sheriff's intention is that the foremost objective of each investment is the preservation of principal.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

2. DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk. With respect to deposits, custodial credit risk is the risk that, in the event of bank failure, the Sheriff's deposits may not be returned. Under state law, the Sheriff's deposits must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the Sheriff or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2014, the School Board has \$868,424 in deposits (collected bank balances) in local financial institutions, including certificates of deposit. These deposits are secured from risk by \$423,427 of federal deposit insurance and \$444,997 of pledged securities held by the custodial bank in the name of the School Board. As such, these deposits are not considered subject to custodial credit risk according to GASB Statement No. 3.

3. AD VALOREM TAXES

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the parish government in June and are actually billed to the taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Caldwell Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year for which levied and billed. For the year ended June 30, 2014, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 30.99 mills on property with assessed valuations totaling \$71,978,730. Homestead exemptions totaled \$13,930,710, which left a remaining taxable value of \$58,048,020. Total law enforcement taxes levied during 2014 were \$1,780,535.

4. RECEIVABLES

The receivables of \$371,961 at June 30, 2014, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Proprietary Fund</u>	<u>Total</u>
State of Louisiana	\$ 74,389	\$ 256,802	\$ 331,191
Taxes	762	-	762
Other	29,504	10,504	40,008
	<u>\$ 104,655</u>	<u>\$ 267,306</u>	<u>\$ 371,961</u>

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014, was as follows:

	Beginning of Year	Additions	Deletions	End of Year
Furniture and equipment	\$ -	\$ 23,422	\$ -	\$ 23,422
Buildings and improvements	2,400	-	-	2,400
Transportation equipment	693,150	34,658	146,990	580,818
Other equipment	359,160	23,450	98,507	284,103
Total capital assets				
being depreciated	1,054,710	81,530	245,497	890,743
Less accumulated depreciation for:				
Furniture and equipment	-	2,738	-	2,738
Buildings and improvements	67	160	-	227
Transportation equipment	627,910	31,656	146,248	513,318
Other equipment	216,645	50,246	98,507	168,384
Total accumulated depreciated	844,622	84,800	244,755	684,667
Governmental activities capital assets, net:	<u>\$ 210,088</u>	<u>\$ (3,270)</u>	<u>\$ 742</u>	<u>\$ 206,076</u>
Business type activities:				
Capital assets not being depreciated:				
Land	\$ 6,000	\$ -	\$ -	\$ 6,000
Capital assets being depreciated:				
Buildings and improvements	3,182,127	-	-	3,182,127
Furniture and equipment	125,232	17,873	68,483	74,622
Transportation equipment	63,085	-	14,131	48,954
Other equipment	10,775	-	10,775	-
Total capital assets				
being depreciated	3,381,219	17,873	93,389	3,305,703
Less accumulated depreciation for:				
Buildings and improvements	1,323,116	79,907	-	1,403,023
Furniture and equipment	100,326	9,621	68,483	41,464
Transportation equipment	54,803	3,607	14,131	44,279
Other equipment	10,775	-	10,775	-
Total accumulated depreciated	1,489,020	93,135	93,389	1,488,766
Business type activities capital assets, net:	<u>\$ 1,898,199</u>	<u>\$ (75,262)</u>	<u>\$ -</u>	<u>\$ 1,822,937</u>

Depreciation expense in the amount of \$177,935 was charged to public safety.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

6. PENSION PLAN

Plan Description. Substantially all employees of the Caldwell Parish Sheriff's Office are members of the Louisiana Sheriffs Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All Sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.5% for each year if total service is at least 12 but less than 15 years, 2.75% for each year if total service is at least 15 but less than 20 years, and 3% for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate by 0.25% for all service rendered on or after January 1, 1980.) In any case, the retirement benefit cannot exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 219-0500.

Funding Policy. Plan members are required by state statute to contribute 10.0% of their annual covered salary and the Caldwell Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.89% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Caldwell Parish Sheriff are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Caldwell Parish Sheriff's contributions to the System for the years ending June 30, 2014, 2013, and 2012 were \$277,269 and \$266,102 and \$236,982, respectively, equal to the required contributions for each year.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

7. LEASES

The Sheriff records assets acquired through capital leases as an asset and an obligation in the accompanying financial statements in the government-wide financial statements. The Sheriff has entered into lease-purchase agreements for patrol vehicles and mowing equipment. The original net present value of the leases amounted to \$155,720. Under the terms of the agreements, the Sheriff will make 12 quarterly payments of \$13,621 beginning April 2012 through January 2015 and accrues interest at 4.3%.

Future minimum payments are as follows:

Year ended June 30:	
2015	\$ 40,863
Total payments	<u>40,863</u>
Less: Amount representing interest	<u>(476)</u>
Total	<u><u>\$ 40,387</u></u>

The net present value of assets acquired via capital lease is amortized over the useful lives of the acquired capital assets and is included in depreciation expense.

8. LITIGATION AND CLAIMS

At June 30, 2014, the Sheriff is involved in several lawsuits. The Sheriff's attorney has advised that at this stage in the proceedings he cannot offer an opinion as to the probable outcome of these lawsuits and claims. Management feels that any uninsured exposure, if any, would not be material to the financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

9. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Tax Collector Fund	\$ 79,974	\$ 8,952,565	\$ (8,887,114)	\$ 145,425
Fines Fund	10,935	209,717	(215,775)	4,877
CPSO Jail Fund	47,376	95,842	(90,496)	52,722
CCC Commissary Fund	36,601	244,038	(279,967)	672
CCC Inmate Fund	10,125	349,055	(314,743)	44,437
Total	<u>\$ 185,011</u>	<u>\$ 9,851,217</u>	<u>\$ (9,788,095)</u>	<u>\$ 248,133</u>

10. LONG-TERM DEBT

The Sheriff's bonds payable is attributable to business-type activities. The following is a summary of bonds payable for the year ended June 30, 2014:

\$1,035,000 Special Corrections Facility Revenue Refunding Bonds, series 2002. The bonds carry an annual interest rate of 5.75% and are due in monthly installments of \$7,266 through January 2023.

\$ 589,646

Future maturities of bonds payable or as follows:

	Principal	Interest	Total Payments
Year ended June 30:			
2015	\$ 54,721	\$ 32,478	\$ 87,199
2016	57,952	29,247	87,199
2017	61,374	25,825	87,199
2018	64,997	22,202	87,199
2019	68,835	18,364	87,199
2020-2023	281,767	30,695	312,462
Total	<u>\$ 589,646</u>	<u>\$ 158,811</u>	<u>\$ 748,457</u>

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

Changes in long-term debt are as follows:

	Beginning of Year	Issued	Retired	End of Year	Amounts Due Within One Year
Governmental activities:					
Capital leases	\$ 92,597	\$ -	\$ 52,210	\$ 40,387	\$ 40,387
Bank loan	-	200,000	200,000	-	-
Other post-employment benefit	847,262	223,028	31,789	1,038,501	-
	<u>\$ 939,859</u>	<u>\$ 423,028</u>	<u>\$ 283,999</u>	<u>\$ 1,078,888</u>	<u>\$ 40,387</u>
Business-type activities:					
Revenue bonds	\$ 641,317	\$ -	\$ 51,671	\$ 589,646	\$ 54,721
Other post-employment benefit	1,058,824	231,616	-	1,290,440	-
	<u>\$ 1,700,141</u>	<u>\$ 231,616</u>	<u>\$ 51,671</u>	<u>\$ 1,880,086</u>	<u>\$ 54,721</u>

11. ON-BEHALF PAYMENTS

The Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by R.S. 33:4715, is paid by the Caldwell Parish Police Jury.

12. RISK MANAGEMENT

The Sheriff is covered by commercial insurance for substantially all risks of loss.

13. SUBSEQUENT EVENTS

The Sheriff evaluated its June 30, 2014 financial statements through March 20, 2015, the date the financial statements were available to be issued. The Sheriff is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

14. OTHER POST-EMPLOYMENT BENEFITS

The Sheriff provides certain continuing health care and life insurance benefits for the Sheriff's retired employees. Substantially, all of the Sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the Sheriff. Those benefits for retirees are provided through Blue Cross/Blue Shield whose monthly premiums are paid by the Sheriff. The Sheriff pays the premiums on a "pay-as-you-go" basis. For the year ended June 30, 2014, there were three retirees and the costs of their benefits totaled \$31,788.

The Sheriff's Annual Required Contribution ("ARC") is an amount actuarially-determined in accordance with GASB 45, which is being implemented prospectively for the year ended June 30, 2014. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize the beginning Unfunded Actuarial Liability ("UAL") over a period of 30 years. A 30-year, closed amortization period has been used with a level-dollar amortization factor. The total ARC for the fiscal year 2014 is \$382,899 which consists of normal cost of \$248,799 and amortization of UAL of \$134,100.

The following table presents the Sheriff's OPEB obligation for the year ended June 30, 2014:

Beginning OPEB obligation	\$ 1,906,086
Annual Required Contribution	382,899
Interest on prior year obligation	<u>8,168</u>
Annual OPEB cost	391,067
Less: current year premiums paid	<u>31,788</u>
Increase in net OPEB obligation	<u>422,855</u>
 Ending net OPEB obligation	 \$ <u>2,328,941</u>

Utilizing the pay-as-you-go method, the Sheriff contributed 7.0% of the annual OPEB cost during 2014.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Notes to the Financial Statements

14. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2010 actuarial valuation, the “Entry Age Normal” method was used, employees and retirees as of the valuation date were used and employees to be hired in the future were not considered. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 9.5 percent initially, reduced by decrements to an ultimate rate of 5.5 percent after ten years. The 1994 Group Annuity Reserving Mortality Table was used in the actuarial calculation. The turnover scale and retirement rates were based on rates used in the valuation of the Sheriffs' Pension and Relief Fund. The remaining amortization period at June 30, 2014 was 24 years.

Funded Status. The funded status of the plan as of June 30, was as follows:

Actuarial valuation date	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actuarial value of assets	\$0	\$0	\$0	\$0	\$0	\$0
Actuarial Accrued Liability	\$3,754,729	\$4,266,657	\$4,758,414	\$5,238,743	\$5,696,839	\$6,126,310
Unfunded Actuarial Accrued Liability	\$3,754,729	\$4,266,657	\$4,758,414	\$5,238,743	\$5,696,839	\$6,126,310
Funded ratio	0%	0%	0%	0%	0%	0%
Covered payroll (active plan members)	\$1,639,240	\$1,639,240	\$2,534,329	\$2,531,907	\$2,490,873	\$2,390,741
UAAL as a percentage of covered payroll	229.1%	260.3%	187.8%	206.9%	228.7%	256.3%

REQUIRED SUPPLEMENTARY
INFORMATION

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Budgetary Comparison Schedule - General Fund

For the Year Ended June 30, 2014

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 1,856,000	\$ 1,804,000	\$ 1,744,452	\$ (59,548)
Intergovernmental revenues:				
State grants:				
State supplemental pay	149,000	131,000	141,385	10,385
State revenue sharing (net)	46,000	46,000	46,110	110
Miscellaneous	60,000	52,000	45,589	(6,411)
Fees, fines, and charges for services:				
Civil and criminal fees	32,000	32,000	32,000	-
Fines	33,000	33,000	33,139	139
Charges for services and programs	184,000	176,000	183,968	7,968
Mowing contract	150,000	150,000	148,777	(1,223)
Miscellaneous	33,000	31,000	4,989	(26,011)
Total revenues	2,543,000	2,455,000	2,380,409	(74,591)
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	1,695,000	1,776,000	1,771,420	4,580
Operating services	414,000	467,000	390,785	76,215
Materials and supplies	178,000	224,000	236,876	(12,876)
Travel and other charges	10,000	17,000	17,049	(49)
Debt service	56,000	258,000	271,122	(13,122)
Capital outlay	23,000	52,000	81,530	(29,530)
Total expenditures	2,376,000	2,794,000	2,768,782	25,218
Deficiency of revenues under expenditures	167,000	(339,000)	(388,373)	(49,373)
Other financing sources (uses):				
Transfers in (out)	-	95,000	190,000	95,000
Proceeds from bank loan	-	200,000	200,000	-
Total other financing sources (uses)	-	295,000	422,455	127,455
Change in fund balances	167,000	(44,000)	34,082	78,082
Fund balance, beginning	376,963	376,963	376,963	-
Fund balance, ending	\$ 543,963	\$ 332,963	\$ 411,045	\$ 78,082

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND TYPE - AGENCY FUNDS

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies. It also accounts for collections of bonds, fines, and costs and payment of these collections to the recipients in accordance with applicable laws.

FINES FUND

The Fines Fund accounts for partial payments on court fines. Funds are transferred to the Tax Collector Fund for settlement when full payment is received.

INMATE FUNDS

The Inmate Funds account for individual prisoner account balances. Funds are deposited in the name of the prisoner and are payable upon request. Balances in the individual prisoner accounts are returned upon completion of their jail sentences.

COMMISSARY FUNDS

The Commissary Funds account for the purchase and resale of personal items to the inmates at the Caldwell Correction Center and the Caldwell Parish Jail.

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Fiduciary Fund Type - Agency Funds
Combining Balance Sheet

June 30, 2014

	TAX COLLECTOR FUND	FINES FUND	CPSO JAIL COMMISSARY & INMATE FUND	CCC COMMISSARY FUND	CCC INMATE FUND	TOTAL
ASSETS						
Cash and cash equivalents	\$ 30,844	\$ 4,877	\$ 52,722	\$ 672	\$ 44,437	\$ 133,552
Due from other governments	114,581	-	-	-	-	114,581
	<u>\$ 145,425</u>	<u>\$ 4,877</u>	<u>\$ 52,722</u>	<u>\$ 672</u>	<u>\$ 44,437</u>	<u>\$ 248,133</u>
LIABILITIES						
Due to taxing bodies and others	<u>\$ 145,425</u>	<u>\$ 4,877</u>	<u>\$ 52,722</u>	<u>\$ 672</u>	<u>\$ 44,437</u>	<u>\$ 248,133</u>

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Fiduciary Fund Type - Agency Funds
Combining Statement of Changes in Due to Others

For the Year Ended June 30, 2014

	TAX COLLECTOR FUND	FINES FUND	CPSO JAIL COMMISSARY & INMATE FUND	CCC COMMISSARY FUND	CCC INMATE FUND	TOTAL
BALANCES AT BEGINNING OF YEAR	\$ 79,974	10,935	\$ 47,376	\$ 36,601	\$ 10,125	\$ 185,011
ADDITIONS						
Garnishments	-	28,203	-	-	-	28,203
Sheriff's sales	-	181,514	-	-	-	181,514
Taxes, fees, etc., paid to tax collector	8,952,565	-	-	-	-	8,952,565
Commissary sales	-	-	55,883	244,038	-	299,921
Inmate receipts	-	-	39,959	-	349,055	389,014
Total additions	8,952,565	209,717	95,842	244,038	349,055	9,851,217
REDUCTIONS						
Litigants	-	158,009	-	-	-	158,009
Taxes, fees, etc., distributed to taxing bodies and others	8,887,114	45,945	-	-	-	8,933,059
Commissary supplies	-	-	33,960	194,917	-	228,877
Inmate disbursements	-	-	56,536	-	314,743	371,279
Other settlements	-	11,821	-	85,050	-	96,871
Total reductions	8,887,114	215,775	90,496	279,967	314,743	9,788,095
BALANCES AT END OF YEAR	\$ 145,425	4,877	\$ 52,722	\$ 672	\$ 44,437	\$ 248,133

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Schedule of Cash in Tax Collector Account

June 30, 2014

Cash and cash equivalents	<u>\$ 30,844</u>
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CALDWELL PARISH SHERIFF
Columbia, Louisiana

Schedule of 2013 Ad Valorem Taxes Assessed and Collected

For the Year Ended June 30, 2014

	<u>Taxes Assessed</u>	<u>Taxes Collected</u>	<u>Amount Uncollected</u>
Taxing Authority:			
Caldwell Parish Assessor	\$ 433,216	\$ 433,060	\$ 156
Caldwell Parish Gravity Drainage District No. 1	156,980	156,975	5
Caldwell Parish Law Enforcement District	1,773,771	1,773,132	639
Caldwell Parish Police Jury	2,136,131	2,135,361	770
Caldwell Parish School Board	3,692,138	3,690,807	1,331
Columbia Heights Sewer District	117,950	117,866	84
Kelly Water District	40,821	40,821	-
Louisiana Forestry Commission	17,559	17,559	-
Louisiana Tax Commission	1,366	1,366	-
Tensas Basin Levee District	62,773	62,771	2
	<u>\$ 8,432,705</u>	<u>\$ 8,429,718</u>	<u>\$ 2,987</u>

Some taxes remain uncollected at June 30 due to bankruptcies as well as taxes related to personal property which cannot be sold at sheriff's sale.

STATE OF LOUISIANA

PARISH OF CALDWELL

AFFIDAVIT

BEFORE ME, the undersigned authority, personally came and appeared, Steven E. May, the sheriff of Caldwell Parish, State of Louisiana, who after being duly sworn, deposed and said:

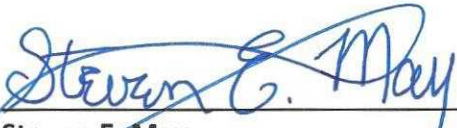
The following information is true and correct:

\$30,844 is the amount of cash on hand in the tax collector account on June 30, 2014;

He further deposed and said:

All itemized statements of the amount of taxes collected for tax year 2013, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.



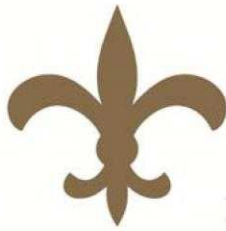
Steven E. May
Sheriff of Caldwell Parish

SWORN to and subscribed before me, Notary, this 25th day of March, 2015, in my office in Columbia, Louisiana.



Debbie Dollar, #77910
Commission: Sheriff's Term

COMPLIANCE
AND
INTERNAL CONTROL



J. Aaron Cooper , CPA, LLC

P.O. Box 918 • 510 North Cutting Avenue • Jennings, Louisiana 70546
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Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Caldwell Parish Sheriff
Columbia, Louisiana

I have audited the basic financial statements of the Caldwell Parish Sheriff as of and for the year ended June 30, 2014, and have issued my report thereon dated March 20 2015. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Caldwell Parish Sheriff is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing my audit, I considered Caldwell Parish Sheriff's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Caldwell Parish Sheriff's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Caldwell Parish Sheriff's internal control over financial reporting.

My consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control that results in more than a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. I consider Items 01-14(IC) and 03-14(IC) in the accompanying schedule of findings and questioned costs to be material weaknesses.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I consider item 02-14(IC) in the accompanying schedule of findings and questioned costs to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Caldwell Parish Sheriff's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as Item 01-14(C).

No separate management letter was issued for this engagement.

Caldwell Parish Sheriff's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. I did not audit Caldwell Parish Sheriff's response and, accordingly, I express no opinion on it.

This report is intended solely for the information and use of the Caldwell Parish Sheriff, the Sheriff's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "J. Aaron Coogan, CPA, LLC". The signature is written in a cursive, flowing style.

DeRidder, Louisiana
March 20, 2015

CALDWELL PARISH SHERIFF
Columbia, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan

For the Year Ended June 30, 2014

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Current year (06/30/14)						
Internal Control:						
01 - 14 (IC)	Unknown	The Sheriff did not have adequate segregation of functions within the accounting system.	NA	The Sheriff and financial officer have determined that it is not cost effective to achieve complete segregation of duties in the accounting department. They have, however, segregated as many duties as possible. No plan is considered necessary.	Debbie Dollar	NA
02 - 14 (IC)	2007	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	NA	The Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with (GAAP) and determined that it is in the best interest of the government to outsource this task to its independent auditor, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Debbie Dollar	NA
03 - 14 (IC)	2014	Refunds of overpayments and interest on delinquent taxes in the amount of \$57,884 were disbursed twice from the Tax Collector Fund beginning in 2010. It appears that some of the reports from the Tax Collector system had errors that may have contributed to the double payments.	Yes	Management has been in contact with the tax system vendor to make the necessary corrections in the program to correct the reporting. Additionally, new reconciliations will be implemented in order to double-check the accuracy of the reports	Debbie Dollar	6/30/2015
Compliance:						
01 - 14 (C)	2014	The audit for June 30, 2014 was not completed within six months of year-end as required by state law. The audit could not be completed until the Tax Collector system was repaired.	Yes	Management anticipates that the Tax Collector system issues will be fully corrected and that the audit will be completed in time next year.	Debbie Dollar	6/30/2015

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan - Continued

For the Year Ended June 30, 2014

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Prior year (06/30/13)						
Internal Control:						
01 - 13 (IC)	Unknown	The Sheriff did not have adequate segregation of functions within the accounting system.	NA	The Sheriff and financial officer have determined that it is not cost effective to achieve complete segregation of duties in the accounting department. They have, however, segregated as many duties as possible. No plan is considered necessary.	Debbie Dollar	NA
02 - 13 (IC)	2007	The Sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	NA	The Sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with (GAAP) and determined that it is in the best interest of the government to outsource this task to its independent auditor, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Debbie Dollar	NA

